Notices to defaulters by SBI

29. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the number of notices served by the State Bank of India and Bank of Baroda to defaulters;

(b) the amount involved in cases of defaulters,to whom notices have been served; and

(c) what action is proposed to be taken against the defaulters?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Notices issued by State Bank of India and Bank of Baroda and the amount involved in them is given below:

Name of the Bank	*Notices issueri*	*Amount involved (in crores)*
State Bank of India	783	1933
Bank of Baroda	105	367.84

(c) Banks propose to take action as per the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. RBI has recently issued guidelines for the compromise settlement of chronic NPAs of public sector banks upto Rs. 10 crores which also includes cases where bank has initiated action under the above Act. Banks may settle such cases also under new guidelines of RBI in case defaulters come forward for settlement.

Defaulters of IFCI

30. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the number of notices served by the Industrial Finance Corporation of India to the defaulters;

(b) the amount involved in cases of defaulters to whom notices have been served; and

(c) what action is proposed to be taken by the IFCI against the defaulters who do not repay the amount after expiry of date of notice?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) IFCI Ltd. has reported that they have served notices on 41 companies involving an aggregate outstanding of Rs. 2329. 62 crores under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 upto 31st January 2003. IFCI have also issued consent letters to the creditors in 34 cases with aggregate outstanding dues of Rs. 3094.96 crores.

(c) IFCI has further reported that notices issues by IFCI Ltd. under the Act has brought pressure on some of the otherwise indifferent borrowers to approach IFCI Ltd. with proposals for resolution of the impaired/stressed assets through formulation of acceptable Restructuring Packages or Negotiated Settlements of Dues. In cases where there has been no response from the borrowers, appropriate strategies are being formulated on case to case basis, keeping in view the relevant provisions of the Act as also the recent Supreme Court decision in case of M/s Mardia Chemicals by IFCI.

Cashless service to mediclaim policy holders

31. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Nationalised Insurance Companies have introduced the IRDA (Third Party Administration-Health Services) Regulation 2001 to provide cashless service to mediclaim policy holders;

(b) if so, the highlights of the regulations;

(c) whether it is a fact that the idea behind introduction of the Regulation has not been fulfilled in actual service; and

(d) if so, whether the Regulations are proposed to be suitably amended for the beneficiaries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a)